CHAPTER.—XVI. SERVICE FUNDS.

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General Rules.

287. Subscriptions to the Insurance or Provident Fund of Government can be received from such Government servants as are either required or permitted by the rules of the Fund to subscribe to it, the recoveries being made ordinarily by deduction from pay bills.

288. The subscriber is himself responsible for seeing that proper deduction is made from his bills, though, for his convenience, it has been ruled (*vide* Article 51) that the responsibility for making the necessary deductions regularly and correctly devolves upon the drawers of the bills.

289. A subscriber to a fund, when paying his subscription, whether his subscriptions to the Fund are recovered by deduction from bills, or paid in cash, must specify the number of his account or of his policy as the case may be, and give all necessary particulars, and when the subscription is paid for the first time, he should further quote the rule or special authority under which the subscription may be received from him.

290. Whenever a subscriber to any fund, whose subscriptions are realised by deduction from bills, is transferred to another office, the fact that he is subscribing to the fund should be certified in his last pay certificate, by noting thereon the amount recoverable monthly and the number of his account or policy.

291. To each salary and establishment bill should be attached a statement, in the prescribed form (46 or 48) furnishing details, of deductions made in the bill on account of each fund. In departments in which salaries are drawn by cheques on treasuries, a separate cheque will be drawn for the subscriptions due from the staff of each office and sent to the treasury for transfer credit to the funds concerned. The detailed statement referred to above should accompany each such cheque.

NOTE 1.—In the case of premia or subscriptions realised in cash, the chalan with which the amount is presented at the treasury should contain all the information required in the above statement.

NOTE 2.—Whenever a subscriber is transferred, promoted, degraded, dismissed or absent on leave or whenever his appointment under Government is affected in any other manner, such changes should be specially noted in the remarks column of the statement.

292. A detailed list of the subscriptions realised in cash, on behalf of each fund showing the date and amount of each receipt, the name of the person on whose behalf it is paid and the number of account or policy, will be submitted by the Treasury Officer with the cash account. This list will be a copy of the register maintained for the purpose in the treasury.

State Life Insurance Fund (Official Branch.)

293. (*a*) Unless exempted by Government, insurance is compulsory on all persons who enter the permanent pensionable service of the Mysore Government.

(*b*) Officials in temporary service are also permitted to insure in the official branch subject to certain conditions. An officer whose age exceeds 45 years or whose pay is below Rs. 10 shall not be eligible for insurance.

(*c*) Ten per cent of the pay of the insured is recoverable every month as premium, the maximum premium or premia for which one or more policies may be issued on the life of an insured not exceeding Rs. 50 per month. Fractions of a rupee other than multiples of eight annas shall be excluded in calculating the monthly premium.

(*d*) The first premium on each policy should always be paid in cash by the insured. Subsequent premiums shall be payable in advance and be recovered monthly by deduction from the pay of the insured person.

NOTE.—In the case of Policy holders who retire on pensions before their policies mature, premium may, with their consent, be recovered from their pensions and credited in cash.

(*e*) When the insured is absent on duty on leave with allowances, the premium shall be realised when such leave allowances are drawn. If he should obtain leave without allowances or be suspended from service, the premium, if not otherwise recovered, shall be a debt on his policy carrying interest at $6\frac{1}{4}$ per cent per annum and shall be recovered as arrears from his future pay, if any, in instalments not exceeding 5 per cent of such pay.

(*f*) The payment, at treasuries, of surrender values or bonuses due on behalf of the insured, is authorised by the Insurance Secretary in each case. Payment which is made on a receipt in Form 47

shall be subject to deduction of any amount that may be due to Government by the Insured.

(*g*) The rules regarding the State Life Insurance Fund are published separately by the Insurance Office, and they should be referred to for further details.

State Life Insurance Fund (Public Branch.)

294. Premia on account of Public Insurance Fund may also be deducted from pay bills.

State Provident Fund.

295. (*a*) The Fund is a general fund open to all Government servants.

(*b*) Subscription to the fund is compulsory in the case of permanent officers of Government who are unable to insure their lives in the State Life Insurance on even a part of their pay owing to over-age or certified ill-health ; in other cases it is optional.

(*c*) An optional subscriber may discontinue his subscriptions or resume payment again if he chooses, subject to the following conditions :—

(1) An Officer who chooses to discontinue or to resume payment may do so only from the beginning of a new official year.

(2) The privilege of discontinuing to pay and resuming payment will not be allowed more than once.

(3) No refund of amounts already subscribed and at his credit can be made except on retirement or death.

(*d*) The monthly rate of subscriptions shall be an amount expressed in whole rupees not less than $6\frac{1}{4}$ per cent of salary (*i.e.*, one anna in the rupee) and not exceeding 15 $\frac{5}{8}$ per cent (*i.e.*, $2\frac{1}{2}$ annas in the rupee), the rate of salary for this purpose being that drawn in respect of the 30th June of the financial year preceding. In the case of persons whose pay is not more than Rs. 10 per mensem, the rates may be at $\frac{1}{2}$ an anna or $\frac{3}{4}$ of an anna in the rupee rounded off to the nearest multiple of four annas below the calculated amount. The monthly rate shall remain fixed throughout the financial year. Subscription during leave of any kind is optional.

(*e*) Subscriptions are ordinarily recovered by deduction from pay bills but they may be made by remittance in cash to the treasury when an officer is in foreign service or on leave.

(*f*) No final withdrawal will be allowed until the subscriber quits the service or dies. But when the pecuniary circumstances of the subscriber are such that the indulgence is absolutely necessary, a temporary advance not ordinarily exceeding three months'

pay is allowed for certain specified purposes from the sum at his credit at the discretion of the sanctioning authority who shall be

(1) the Government, for Gazetted Officers and for all payments exceeding Rs. 300.

(2) the Head of the Department for non-gazetted officers for payments exceeding Rs. 50 but not exceeding Rs. 300.

(3) the Head of the office, for the non-gazetted officers, for payments not exceeding Rs. 50.

(*g*) A second advance is not granted when any portion of the first advance is still unpaid or unless the unpaid amount is refunded at once by deduction from the new advance. Except for strong reasons to be recorded in writing by the sanctioning authority, no new advance will be allowed, until, at least, twelve months have elapsed since the date of the previous advance.

(*h*) Advances will be recovered at the discretion of the sanctioning authority in not less than twelve monthly instalments or more than twenty four. No recovery will be made from an officer while he is on leave of any kind. Recovery may also be postponed while an advance of pay granted to him on transfer is being recovered. The instalments will be paid by compulsor deductions from salary and will be in addition to the usual subscription.

(*i*) Payment of advances and the sums at the credit of the subscribers on retirement or death is arranged for by the Comptroller in each case.

(*j*) Detailed rules are found in the printed pamphlet issued by the Comptroller.

Military Provident Fund.

296. This fund is administered by the Chief Commandant, Mysore State Troops. Monthly subscriptions are deducted from the pay of officers and men belonging to the Infantry and Cavalry regiments of the Military Department and credited to this fund. A subscriber is not entitled to the refund of his subscription until he ceases to be in service ; but advances are granted by the Chief Commandant to officers and men under certain conditions. The amounts required by the Chief Commandant are drawn from the treasuries on bills pre-audited by the Comptroller. (For detailed rules *vide* Government Order No. G. 3201-2 Mily. 289-24-5, dated 2nd November 1925.)